

Honorable  
Judge Rhodes

# Objections to Detroit Bankruptcy

Detroit is bankrupt in many ways; the new faces brought to some, new hope. This is not a normal bankruptcy; it's a public trust. Unfortunately, the record shows betrayal. Like Detroit's moto , "we hope for better things to come" and "will rise from the ashes" of this illegally orchestrated bankruptcy.

The governor intimidated the prior council into signing onto the consent agreement, with his threat of emergency manager; then failed to bargain in good faith by rejecting a \$100 million dollar union negotiated savings plan. The governor declared an emergency; he illegally rolled over the democratic rights of the people by signing PA 436, within days after the Voters of the State of Michigan rescinded PA 4, a bill substantially the same as PA 4; the governor rushed his bankruptcy attorney to illegally file for bankruptcy to cut short our rights in court. These actions are illegal and unconstitutional and have been used, not to help Detroit, but to strip Detroit of its assets and revenue sources and constitutional rights as free human beings. The standard gimmicks were started: Bring in expensive attorney pals. Take out new loans, with big fees for pals, (\$1 million fee for Buckfire for arranging the Barclay loan where the 1<sup>st</sup> draft unconscionably stipulated that penalties kick in if we get rid of the emergency manager). Loans, that the state should have made us, were made to the Illich ice rink instead. Pay raises for all new advisors, and to the Detroit City Council for cooperating. The Selling of assets to pals for one dollar (\$1) with no bids: HOCKEY RINK, RIVERFRONT property east of Woodward, privatizing our garbage collection and recycling, GIVING our garbage trucks to Rizzo and Advanced Disposal Contractors and failing to protect the public health of Detroiters, Michiganders, and Canadians by allowing the TRASH INCINERATOR, re and misnamed "renewable power" to continue operating WITHOUT ADEQUATE CONTROLS; The distinguished National Academy of Scientists, in their 2000 book, Waste Incineration and Human Health, report that old waste incinerators without new redesign and controls will pump out carcinogenic dioxins and furans when plastic is burned. The changes the new owners are proposing will not stop the illegal emission of dioxins and furans. Who wants this, but the contractors and their functionaries who are profiting from poisoning us ???

The state has an obligation not to look the other way; they gave "the Grand Bargin" \$195 million while giving Illich two hundred forty million dollars (\$240,000,000), illegally ~~out of the school aid fund~~ for his new rink. Good Education, not entertainment venues will enable Detroit to rise from the ashes

The land asset give aways for \$1 are wrong; four examples are: the old Statler Hotel site on Grand Circus Park, the Monroe Block, a east waterfront site, the illich ice rink.

The Monroe Block generated parking CASH for the city; the proposed, private, but tax payer financed \$24 million 1,000 car garage will yield ZERO money to the city; the other two ball stadium contracts, base and foot, could be cancelled, and made to bring in more revenue to the city.

We need buses, not toy trolleys; Detroit is spending \$19 million, Washington \$25 million, Lansing \$40 million, and Wayne County \$3 million....all tax payer money for a project that will not benefit the city bus riders, but will benefit the DDA, which keeps the property taxes for their own benefit, and has kept money from going to the general funds of the city and county and our libraries; I object to their claim for \$136 million. I object to the land bank authority that requires a person to have a credit, not a debit card, to qualify to get a house, while we give away both control of our assets and our assets for a dollar, and use tax payer dollars to destroy some of the best architectural housing stock in the United States,

that people of moderate means could afford. The money given to the Illich rink could have rehabbed 10,000 houses.

The Water Department Boss was just sentenced for conspiracy. One year after the Bankruptcy, the EM starts collecting the delinquent \$33 million owed to water; Illich was one of the listed water delinquents; most of the departments' efforts are laser focused on going after the low income people who should be eligible for the water affordability plan that needs to be IMPLEMENTed NOW. Bond repayment already consume 50% of incoming water revenue. The water rates have been increasing at 10% a year, but this year Detroiters "only got a 4% increase"; the non engineer overpaid, unqualified director continues to push expensive bond projects, like the contract for \$643 million to New England Fertilizer Company (NEFCO) to design, build and operate for 20 years, natural gas sludge driers; the construction this year could cost \$143 to \$150 million in bond debt; ask Minneapolis or Boston Water Departments and they will tell you that these driers will not work well without anaerobic digesters, which can produce methane and other new developed products that can be sold to offset water rates; but instead, if this NEFCO contract stands, the sludge haulers and land fill owners will continue profiting by hauling and burying lots of our sludge; and these new bonds will insure higher and for many, unaffordable rates in the future.

These give aways bring the total so far to over \$100 million dollars; this would be enough money to cancel the Barclay "Quality of Life" Loan.

The final black mark on the Orr-Duggan record is the Illich hockey Deal. A one sided rip-off that questions their integrity ; they claim the deal doesn't use a single dollar from the general fund, but the new rink will end all rent and parking revenue for the city. The loss of rent is a cost to the general fund. The only in depth media report was by Ryan Felton in the May 7<sup>th</sup> Metro Times; he stated: "Basically, an expensive gamble with bad odds."

The lease on the Joe Louis Arena expired in 2010 – no payment was made for over 2 years; then, on March 31,2014, Illich was given a retroactive lease by the overpaid Jones- Day-Orr law firm. This new lease cut the rent by \$ 2 ½ million a year and was used to clear up the old arrears - a \$15 million dollar savings for Illich. This lease should be one the contracts that need to be canceled. The omission of the Illich contracts speaks volumes of the lack of integrity so far in this whole process. Reverse these giveaways and Break these unconscionable contracts.

The last contract we are asking you to break is the 2010 contract between the Detroit "Renewable Power" INCINERATOR and the City of Detroit , in which Detroit promises to deliver garbage to the incinerator until 2021; furans and dioxins are byproducts of chlorinated plastic waste incineration; they diminish human health and are carcinogenic; the privatization of garbage collection and recycling has left our environmental health in the hands of contractors interested in their own profits , not in our health.

The creditors and citizens deserve better from the State and Courts, who currently appear to be in an unholy alliance with the Mafia that has been feeding off the public trough for years and has helped to bring us to where we are today.